

DEPARTMENT OF INSURANCE

ADMINISTRATION & LICENSING SERVICES BRANCH
ACCOUNTING SERVICES BUREAU
300 CAPITOL MALL, SUITE 1400
SACRAMENTO, CA 95814
(916) 492-3412
(916) 322-1941 (FAX)
www.insurance.ca.gov

**SECURITIES TRANSACTION REQUEST (A-174)****INSTRUCTIONS**

Any company requesting to deposit, withdraw or exchange securities in book entry or physical form with the State Treasurer's Office must do so by completing the Securities Transaction Request form A-174. The California Department of Insurance will review the A-174 for compliance with requirements before forwarding it to the State Treasurer's Office for processing.

The California Department of Insurance requires the following information for processing both book entry and physical form securities transactions:

CALIFORNIA INSURANCE CODE (CIC) SECTION

Specify which California Insurance Code (CIC) section that the deposits are being made for.

1. General Deposit (CIC §940/955) (Please indicate the state that requires such deposit in the space provided)
2. Workers Compensation (CIC §11691)
3. Other (Please specify the CIC sections in the space provided)

No security may be applied to more than one CIC section. If you are making a deposit for more than one CIC section, please submit your request with separate A-174 forms.

TYPE OF TRANSACTION

1. Initial Deposit
2. Additional Deposit
3. Withdrawal
4. Substitution/Exchange

TYPE OF SECURITY

1. Federal Book Entry
2. Physical Security

COMPANY INFORMATION

1. Check the box provided if you are a new company applying for admission.
2. Company Name, Formerly Known Name(s)
3. Company Address
4. Contact Name
5. Contact Telephone Number and Fax Number
6. E-mail Address
7. Company Federal Tax I.D. Number
8. NAIC/California Department of Insurance Number

For Book Entry deposits, Citibank will mail monthly statements of any account activity and account balance information to the *Company Address* indicated on the form.

BANK INFORMATION

1. Bank Name
2. American Banking Association (ABA) Number (if book entry)
3. Account Number (if book entry)
4. Bank Mailing Address
5. Bank Contact
6. Contact Telephone Number and Fax Number

Interest payments on securities placed on deposit using book entry will be posted to the account specified in the *Bank Information*. If your *Bank Information* has changed, please check the box provided. If you have not received an interest payment, please contact the California Department of Insurance at (916) 492-3412.

DELIVERY AGENT INFORMATION

Upon receipt of the authorization from the California Department of Insurance, the State Treasurer's Office will make arrangements with the delivery agent/company's contact person for a settlement date for all deposits and withdrawals. Please provide the following information:

1. Agent Name
2. Agent Mailing Address
3. Agent Contact
4. Contact Telephone Number and Fax Number
5. Agent ABA Number (if book entry)
6. Account Number (if book entry)
7. DTC/Broker Code

Note: If this information is the same as the *Bank Information*, you may write "Same as Bank Information" in this area.

PHYSICAL SECURITIES

All physical securities must be registered to the insurance company as well as the Insurance Commissioner of the State of California. The bank must have a Sacramento Branch for delivery of deposit and withdrawals. If you are making a deposit with a physical security, please use the area “Delivery Agent Information For Deposits” with the instructions for delivery of the deposit. If you are making a withdrawal, use the “Delivery Agent Information For Withdrawals” located on the same side of the “Securities To Be Withdrawn”.

Note: Physical securities are not to be delivered to the California Department of Insurance. The State Treasurer’s Office will contact the *Delivery Agent* when they are ready for the securities to be delivered. The company will have to pay all delivery charges if misdirected. The California Department of Insurance or the State Treasurer’s Office will not be responsible for any loss in this connection.

SECURITIES TO BE DEPOSITED

1. Securities Description
2. Cusip/Serial/Certificate Number
3. Rate
4. Issue Date
5. Maturity Date
6. Par/Face Value
7. Market Value - Must be within 30 days of transaction
8. Deposit Value (Lower of Par or Market)
9. Investment Rating (Include Source) - Securities must be rated A or above for book entry and physical deposits. If available, attach a copy of source printout (e.g. Bloomberg).

Deposits of Preferred Stock are acceptable only under California Insurance Code (CIC) Section 11691 (Workers Compensation). When determining the adequacy of securities to be deposited, the Deposit Value is established on each item as follows: BONDS - Lower of Par or Market (LPM); PREFERRED STOCK - Market Value; BANK CERTIFICATES - Face Value. Book entry securities must meet the requirements established in California Government Code Section 16430.

SECURITIES TO BE WITHDRAWN

Withdrawals or exchanges in which the deposits are less than the withdrawals require further analysis and approval from the Financial Analysis Division (FAD) in the California Department of Insurance. Additional time will be needed to process these types of transactions. Please provide the following information:

1. Securities Description
2. Cusip/Serial/Certificate Number
3. Rate

SECURITIES TO BE WITHDRAWN (cont.)

4. Maturity Date
5. Par/Face Value
6. Market Value - Must be within 30 days of transaction.
7. Deposit Value (Lower of Par or Market)

LOC REDUCTIONS

Amendments reducing the amount of an LOC should be listed on the deposit section of the A-174 (1st page). Although the amount of the reduction will be listed on the deposit section, the amount should be indicated with a minus (-) sign indicating it as a reduction.

AUTHORIZATION

In order to avoid any delays in processing the transaction, an authorized officer of the company must sign on the back page of the form A-174.

PROCESSING FEES

The California Department of Insurance will charge a processing fee for each subsequent transaction (initial deposit, additional deposit, withdrawal or exchange). The processing fees are due in advance. Please make your check payable to the California Department of Insurance. Click on the link to view and/or print a copy of the [Securities Schedule of Fees](#).

Submit two original signed copies of the securities transaction request to the following address:

California Department of Insurance
Accounting Services Bureau
Securities Transaction Unit
300 Capitol Mall, Suite 1400
Sacramento, CA 95814

The cost of establishing an account with the State Treasurer's Office for book entry will be \$100.00 annually and is payable in advance. For the initial set-up, please attach a separate check made payable to the State Treasurer's Office for \$100.00.

If you have any questions, please call the Securities Transaction Unit at (916) 492-3412 or via e-mail securities@insurance.ca.gov.